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Public Service Commission of Wisconsin
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March 11, 2021

Ms. Steffany Powell Coker
Secretary to the Commission
Public Service Commission of Wisconsin
4822 Madison Yards Way
Madison, WI 53705-9100

RE: Annual Customer Service Conservation Filing Requirement
Docket: 4220-EE- 2020; Period: January 1 – December 31, 2020

This annual report summarizes the achievements of the Northern States Power Company-Wisconsin's, an Xcel Energy Company, Customer Service Conservation activities for the 2020 calendar year.

If you have any questions, please contact me at (715) 577-0955 or by e-mail at lori.j.drilling@xcelenergy.com

Respectfully submitted,

A handwritten signature in cursive script that reads 'Lori Drilling'.

Lori Drilling
Manager, DSM & Energy Efficiency Programs



2020 Customer Service Conservation Annual Report

Northern States Power Company – Wisconsin

An Xcel Energy Company

Docket No. 4220-EE-2020

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Executive Summary

This annual report summarizes the achievements of the Northern States Power Company-Wisconsin's, an Xcel Energy Company, hereafter ("NSPW" or "the Company"), Customer Service Conservation activities for the 2020 calendar year.

The Public Service Commission of Wisconsin ("PSCW" or "Commission") oversees the statewide energy efficiency and renewable resource program; Focus on Energy (Focus). 2005 Act 141 requires each investor-owned energy utility to spend 1.2 percent of its annual operating revenues to fund certain energy efficiency and renewable energy programs each calendar year. For year 2020, the Commission ordered NSPW to pay a total required contribution of \$9,367,981 with \$8,026,513 allocated to electric and \$1,341,468 allocated to natural gas.

Utilities are allowed to retain additional Commission-approved funds in a conservation escrow budget for general Customer Service Conservation (CSC) activities and/or separate voluntary conservation programs.

Table 1 provides a summary of the total 2020 Customer Service Conservation (CSC) Escrow Budget and expenditures; including funds transferred to the State and retained dollars. Note, both the General CSC and the Voluntary Community Conservation Program budgets are further defined within this report.

Table 1

2020 Customer Service Conservation Escrow Budget	Approved	Actual
General Customer Service Conservation	\$850,913	\$795,793
Voluntary Community Conservation Program	\$2,328,172	\$1,797,014
Transfer for Statewide Conservation Program	<u>\$9,367,981</u>	<u>\$9,367,981</u>
	\$12,547,066	\$11,960,788

NSPW ensures CSC Escrow Budget dollars are utilized as defined by the Public Service Commission of Wisconsin in Order 5-BU-102. The order states CSC related services and programs should:

- Educate customers on what are and are not legitimate practices and measures for energy conservation and efficiency
- Improve customers' awareness and actions that can control their energy use and costs through their own actions and through programs
- Research emerging technologies and conduct pilot programs
- Foster annual flow of new and repeat customers who use Focus to install energy efficient equipment

General Customer Service Conservation

As mentioned in the Executive Summary, all utilities are allowed to retain additional Commission-approved funds in a conservation escrow budget for General CSC activities. CSC consists of activities and expenses related to the promotion of all Focus programs, conservation, and energy efficiency for residential and commercial customers in our service territory. This includes related advertising, promotion, education, labor, materials, sponsorships and expenses.

Note this section does not cover the Voluntary Community Conservation Program. That program and expenses are summarized on Page 15.

Table 2 provides a summary of the budget and expenditures for General CSC.

Table 2

NSPW 2020 GENERAL CUSTOMER SERVICE CONSERVATION EXPENDITURES		
PROGRAM	APPROVED BUDGET	ACTUAL SPEND
Residential Customer Service Conservation (CSC)		
Residential CSC Program Support	\$35,000	\$25,878
Residential CSC Labor	\$109,959	\$116,966
Keep Wisconsin Warm Fund Sponsorship	\$37,000	\$32,000
UWEC Student Outreach Program (SCORE)	\$8,500	\$0
K-12 Energy Education Program (KEEP)	\$42,341	\$43,612
Community Sponsorships/Events	\$28,000	\$28,691
TOTAL RESIDENTIAL CSC	\$260,800	\$247,147
Commercial Customer Service Conservation (CSC)		
Commercial CSC Program Support	\$4,100	\$3,218
Commercial CSC Labor	\$16,013	\$7,257
EnVinta One-2-Five & Energy Espresso	\$17,000	\$20,700
Energy Intern & Energy Monitoring Sponsorships	\$25,000	\$26,238
Commercial Advertising & Promotion	\$41,000	\$35,008
TOTAL COMMERCIAL CSC	\$103,113	\$92,421
General CSC Education/Program Support/Advertising		
Trade Ally Coordination Program	\$75,000	\$40,653
Administration	\$45,000	\$37,221
FOE & General Conservation Advertising & Promotion	\$192,000	\$203,351
Research/Development (Slipstream - formerly Seventhwave)	\$175,000	\$175,000
TOTAL GENERAL CSC	\$487,000	\$456,225
TOTAL GENERAL CSC EXPENDITURES	\$973,705	\$795,793

RESIDENTIAL CUSTOMER SERVICE CONSERVATION

Residential CSC consists of activities and expenses related to the promotion of Focus programs as well as conservation and energy efficiency promotion and educational efforts for residential customers in our service territory. This includes related advertising, promotion, education, labor, materials, sponsorships, travel and expenses.

Below are summaries for each section within the Residential CSC budget:

- **Residential CSC Program Support**

Dollars charged to this segment cover costs for office supplies, fleet and travel expenses. It also includes miscellaneous printing costs which fall outside of the advertising campaign such as educational brochures or postage for direct mail pieces.

- **Residential CSC Labor**

Labor charged to this segment reflects energy efficiency and conservation efforts outside of those provided for the voluntary DSM program. The personnel who charge their labor to this account are the Manager, DSM and Energy Efficiency and the Energy Efficiency Program Coordinator. Activities include educating customers on energy efficiency and conservation, promoting Focus on Energy and informing customers about other energy savings options. All actual time charged is 100% DSM-related for CSC.

In 2012, the Customer Contact Center developed the Energy Expert team. This specialized team of 6 agents and 1 team leader works directly with residential customers on conservation issues. The agents are trained to provide customers with detailed information, recommendations and solutions concerning residential energy conservation. The team is well versed in the Focus programs and promotes both those and the NSPW Community Conservation Program, in addition to assisting customers with energy conservation questions. While they take calls for other Xcel Energy jurisdictions, they charge 18% of their total labor to NSPW, based on call allocation studies.

- **Keep Wisconsin Warm Fund Sponsorship (KWWF)**

KWWF is a statewide non-profit charitable effort that steps in to keep the heat and power on for thousands of elderly, people with disabilities, veterans and working families with young children in crisis. KWWF provides preventative services and the financial assistance necessary to avert energy-related crisis situations. Alliant Energy, Madison Gas and Electric, We Energies, Wisconsin Public Service Corporation and NSPW all support the Fund by providing sponsorship and participation in KWWF events. For 2020, a total of \$32,000 was contributed to KWWF from the CSC budget for their general funding for the heating season.

- **Student and Community Outreach on Rental Efficiency (SCORE)**

NSPW maintains an annual partnership with the University of Wisconsin Eau Claire's (UWEC) Student Office of Sustainability SCORE program. SCORE is a student-run energy efficiency program provided to off-campus housing residents; very similar to Focus's Simple Energy Efficiency Program. Most of those homes would never be reached by the Focus program because the landlords take little interest in making improvements.

In 2020, the SCORE program was put on hold due to the impact of COVID-19 on the University system. No money was spent, nor were any kits installed. Therefore, NSPW did not make any contributions to SCORE in 2020. NSPW will wait to see what happens with the SCORE program once school resumes as normal and will re-evaluate future contributions at that time.

Table 3 below shows the SCORE budget as reported to NSPW by UWEC. Again, no money was spent, but the table shows the remaining budget.

Table 3

SCORE 2020-2021 Itemized Budget						
Wages						
Category		Personnel	Total Months		Rate/month	Total Cost
SCORE Eco-Rep		1	0		\$300.00	\$0.00
Energy Educators		5	0		\$200.00	\$0.00
Wages subtotal						\$0.00
Marketing						
Category		Units	Total Units	4-15 Rer	Quote	Total Cost
Posters			0	0	Free	\$0.00
Tableing, Done by myself, auditos, and with SOS members ahead				0	Free	\$0.00
Marketing subtotal						\$0.00
Materials						
Category	Item #	Units per vis	Total Visits	4-15 Rer	Quote	Total Cost
EFI Energy Kit		1	0	1	\$0.00	\$0.00
Materials subtotal						\$0.00
Budget Total for 2020-2021						\$3,966.48
Total 2020-2021 Expenses						\$0.00
Budget Remaining						\$3,966.48

- **K – 12 Energy Education Program (KEEP)**

The Wisconsin K-12 Energy Education Program (KEEP), a program of the Wisconsin Center for Environmental Education within the College of Natural Resources at UW-Stevens Point, provides professional development and training, hands-on resources, curricular support, student engagement activities, and recognition opportunities to Wisconsin's K-12 districts, schools, teachers, students and non-formal K-12 educators, focused on increasing energy literacy through energy education.

KEEP staff engaged schools, teachers and students in a variety of new ways while adapting to the changing needs of the K-12 education system during the on-going COVID-19 pandemic. KEEP staff worked remotely and were not permitted to travel beginning March 14. KEEP staff were readily able to continue energy education outreach activities virtually, supported by technology and resources available through UW-Stevens Point. The following is a summary of KEEP highlights and activities throughout 2020 that supported 58 teachers and potentially 3,241 students in the communities served by NSPW.

Professional Development & Training

Twenty-one educators from NSPW communities participated in KEEP professional development offerings or professional development made possible by KEEP, potentially impacting 1,260 students. Eleven workshops/sessions were cancelled due to circumstances outside of KEEP's control, such as event or conference cancellations and venue closures. This likely had an impact on the potential number of educators that were reached.

Youth and Community Engagement

Empowering students to be ambassadors for responsible energy behaviors, applying what they learn at school with their families at home, thereby contributing to increased energy efficiency and savings through direct student engagement programs. The majority of KEEP's direct student engagement programs occur from mid-March through July. Due to COVID-19, nineteen of these activities were cancelled. One teacher from NSPW's territory utilized this resource, possibly impacting 122 students.

Conferences and Community Events

KEEP staff presented and/or exhibited at conferences, events or trainings reaching educators by leveraging state education associations and other teacher networks statewide. Through these events, KEEP was able to reach 10 educators in the NSPW territory, potentially impacting 600 students.

Curriculum and Resources

KEEP maintains energy education resources for the WCEE hands-on Trunks and Kits lending program, digital curriculum and activities, and multimedia resources. Through these efforts, 26 teachers utilized these resources and potentially impacted 1,381 students. The Trunks and Kits lending program was suspended from March 14 through August 31 due to concerns from COVID-19. It was reinstated in a limited capacity on September 1.

- **Community Sponsorships**

Community Sponsorships consists of activities and expenses related to supporting community-sponsored events or educational activities that our customers attend. NSPW participates by staffing a booth or by providing energy efficiency messaging to be played during the event or displayed on billboards. Due to COVID-19, most of the events that NSPW typically participates in were cancelled. However, there was still opportunity to continue to sponsor some of these events, or at least provide funding for the organizations to continue in some respect. Some of the organizations that were sponsored in 2020 were: Home Shows (Eau Claire and Onalaska), Parade of Homes (Eau Claire and La Crosse), Business Expos and the Northern Wisconsin State Fair.

COMMERCIAL CUSTOMER SERVICE CONSERVATION

Commercial CSC consists of activities and expenses related to the promotion of general Focus programs as well as conservation and energy efficiency promotion and educational efforts for commercial customers in our service territory. This includes related advertising, promotion, education, labor, materials, sponsorships, travel and expenses.

Activities offered to the large commercial and industrial sector are delivered by the Company's Managed Account Group. The Managed Account Group consists of four account representatives located throughout our service territory. Based on Commission decision in our 2013 rate case, none of the Account Managers' labor costs are charged to escrow. However, Xcel Energy sets corporate-wide annual targets for GWh's saved through our managed accounts participation in the various energy efficiency programs, including Wisconsin and the Focus on Energy program. Based on reporting provided by Focus, the year-end actual for the managed accounts was 30 GWh, which far exceeded the corporate goal of 10 GWh.

Below are the major programs or categories included in the budget for this section:

- **Commercial CSC Program Support**

Dollars charged to this segment cover mostly miscellaneous printing costs which fall outside of the advertising campaign such as educational brochures or postage for direct mail pieces. It also covers costs for office supplies, fleet and travel expenses.

- **Commercial CSC Labor**

Labor charged to this segment reflects energy efficiency and conservation efforts other than those offered through the voluntary DSM program. The personnel who charge their labor to this account are the Manager, DSM and Energy Efficiency and the Energy Efficiency Program Coordinator who charge a percentage of their time as appropriate for actual DSM-related activities performed specific to this program. Activities include educating customers on energy efficiency and conservation, promoting Focus on Energy and informing customers about other energy savings options. All actual time charged is 100% DSM-related for CSC.

- **EnVinta Energy Workshops**

In 2020, the Company continued its successful collaborative program with EnVinta. Managed Account representatives use the EnVinta Energy Roadmap program to assist large C&I customers' senior level management to implement effective energy management processes, tools and training. The EnVinta programs are easy and effective ways for customers to adopt a systematic, continuous improvement approach to evaluating their energy use strategies. Focus

participates by providing grants and energy savings tracking. The program yields benefits by reducing energy costs and risk in facility energy management decisions. The key benefits of this program are:

- Effective software tools - these tools generate a base plan showing the most efficient steps to improve energy performance.
- Utility contacts with senior management - these contacts stimulate buy-in at both this level and the operations level.
- Increase success rates - by involving the decision makers the success rates increase and accelerate DSM program implementation.
- Increases sales force effectiveness - helps clearly identify the customer's needs through joint account planning efforts.
- Links needs to specific products, services and DSM programs.

In 2018, NSPW also had EnVinta develop an assessment tool that could be utilized by the Mid-Market team for small to medium commercial and industrial customers. This tool was completed and available for use by the Mid-Market Reps in April 2018. Due to COVID-19 and not being able to conduct site-visits for the majority of 2020, the Mid-Market team switched to a virtual assessment in May 2020. A total of 57 Mid-Market assessments were completed but no Roadmap assessments were done. The amount paid to EnVinta covers continued maintenance for the customers that have already participated in these workshops, as well as allows for more customers to participate.

- **Energy Intern Program**

In 2020, NSPW continued the popular Energy Intern program. In collaboration with customers, universities and a managed account customer, the intern works 50% of the time on energy related projects identified in EnVinta workshops. NSPW covers 50% of the position's cost, up to \$2,500 per intern. Additionally, the Company provides Managed Account Representatives as a resource for training and guidance. The customer provides NSPW a summary of projects to ensure appropriate escrow-funded activities are being done. In 2020, twelve interns were supported by the program.

- **Equipment Checkout and Support**

Through our equipment checkout and support program, the Managed Account Department continued to offer the free use of several pieces of company-owned equipment. The budget for the purchase, maintenance or replacement of the equipment does not come out of this escrow budget. The information is included in the report to illustrate an additional level of customer education and support offered by NSPW.

Customers may check out one of four power monitoring meters. The use of the meters combined with the expertise from the Managed Account Representatives help customers identify and verify energy conservation opportunities, as well as equipment operating costs.

Customers also have access to ultrasonic leak detection equipment for compressed air and steam trap audits, a digital strobe for measuring and estimating motor loads, and an anemometer for measuring air flow levels within HVAC systems to help identify energy conservation improvements.

Another tool customers can request is motor calculators. These calculators show energy savings that can be gained by implementing energy efficient motors versus a standard motor. The savings are based on energy costs and hours of operation. The calculators have been well received by customers.

- **GX Metering – Energy Monitoring Program**

NSPW initiated a pilot program in 2009 that offers incentives to customers interested in developing a demand management strategy at their facility. The program subsidizes the first year subscription costs for the internet-based GX metering load profiling program. In 2020, no new incentives were given, but since 2009, 41 customers have received incentives.

- **Commercial Advertising & Promotion**

Although the Commercial Advertising and Promotion is a separate budget item here, all advertising efforts are summarized together. Please refer to – Web Site / Advertising Campaign and Satisfaction

- Page 14.

CSC EDUCATION/SUPPORT

CSC Education and Support consists of activities and expenses which are general in nature and support both the Residential or Commercial sectors.

- **Trade Ally Program**

NSPW works closely with trade allies throughout our service territory to leverage relationships between them, the customers, Focus and the Company. This adds another dimension to providing both residential and commercial customers with energy efficient equipment options and sound energy efficiency practices. NSPW actively participates in educational seminars, Home Builders Association newsletters, Builders Digest advertising and home shows to reach out to trade allies and educate them on energy efficiency and the Focus programs. We work to coordinate efforts to help them increase sales and also get incentive dollars to our customers. We also provide scholarships for trade associations and Habitat for Humanity groups and technical school students to attend the B4 Conference.

In January, we hosted approximately 200 trade allies at six meeting locations throughout our service territory. These meetings provide trade allies with the opportunity to learn about Company policy updates, safety updates, and information regarding changes to Focus or Company incentive programs for the year. In addition, in 2020, two breakout sessions of interest to the various trades were offered. NSPW provided a presentation on special programming being proposed for electric vehicle charging and the other session presented information on the science behind moisture control and an overview of high capacity dehumidification systems.

We were unable to offer our annual trade ally appreciation picnic but a postcard was sent to trade allies in August expressing our appreciation for all they do to help our customers with their energy-related needs.

- **Program Administration**

The administration expenditure includes general costs associated with providing support to the overall conservation program. It includes labor for administrative staff support, communications support and a small portion of management time supporting the programs. It also includes staff education/seminars/workshops and employee dues for program related associations or degrees.

- **Slipstream (formerly Seventhwave)**

The Slipstream (*Note: Seventhwave became Slipstream on January 1, 2019*) membership level funding model uses structured membership dues, a portion of which is for unrestricted use by Slipstream and the balance used by the member for their individual projects. In 2020, due to COVID-19, live classroom courses were not able to be held but NSPW used its discretionary sponsor funds to support the following live and recorded webinars:

WEBINARS (LIVE AND RECORDED) FOR XCEL ENERGY		
Course	Date of live/recording	Total views* as of 12/31/2020
Building products and systems: the good, the bad, the ugly	3/10/20	38
Deep energy retrofit strategies for aging homes	3/10/20	41
Cathedral roof venting deep dive and demo	3/11/20	39
Bath fan installed performance: the pressure is on!	3/11/20	168
How to increase cooling tower efficiency	6/24/20	86
Part I: Utilize building automation systems to troubleshoot in real-time (Maximize your building automation system, 3-part webinar series)	6/26/20	389
Part II: Make better use of trend data (Maximize your building automation system, 3-part webinar series)	7/21/20	56
Part III: Cost-benefit analysis: Quantifying energy conservation opportunities (Maximize your building automation system, 3-part webinar series)	8/4/20	61
Part 1: Existing building commissioning (Virtual Energy Efficiency Forum Dialing it in—building tuning strategies, 3-part webinar series)	8/18/20	33
2020 Healthcare lighting trends	9/16/20	58
Part 2: Common ventilation issues and heat recovery opportunities (Virtual Energy Efficiency Forum Dialing it in—building tuning strategies, 3-part webinar series)	10/1/20	55
Part 3: Building control strategies (Virtual Energy Efficiency Forum Dialing it in—building tuning strategies, 3-part webinar series)	10/8/20	58
Wisconsin Uniform Dwelling Code deep dive: air sealing	10/27/20	56
Wisconsin commercial building code: Do you measure up?	12/1/20	38
Wisconsin commercial building code for low-rise residential application: Do you measure up?	12/8/20	27

Customer Service Conservation Performance Tracking

In recent years, NSPW has worked with Commission staff to define metrics and measures which show the company's CSC services and programs are effective and that the dollars are being used for their intended purpose. Our intent is to show we are effectively guiding customers to information regarding energy efficiency and participation in Focus programs.

The approved metrics are:

- Number of Customers Served by FOE Programs
- Amount of Customer Focus Incentives
- Overall CSC Spend
- Web Site Tracking & Advertising Satisfaction/Awareness Survey

FOCUS ON ENERGY RESULTS

Table 4 on pages 11 and 12, compares the number of NSPW customers served by Focus programs and the total incentives they received in 2019 and 2020. Participants and measures increased while incentives decreased from 2019 to 2020. All factors increased on the residential side, but the Business and Industry Program saw a decrease in participation and incentives, affecting the total for all programs.

Table 4

Focus Program	2020 Customers	2020 Measures	2020 Incentives Paid	2019 Customers	2019 Measures	2019 Incentives Paid
Agriculture, Schools and Government	N/A	N/A	N/A	224	630	\$779,788.00
AG Propane	9	10	\$4,890.00	N/A	N/A	N/A
AG Recip	1	1	\$27,284.00	N/A	N/A	N/A
Appliance Recycling	N/A	N/A	N/A	110	398	\$9,140.00
Business & Industry	324	1,171	\$1,781,430.00	N/A	N/A	N/A
Business & Industry - Rural	65	327	\$414,758.00	N/A	N/A	N/A
Business Incentives	N/A	N/A	N/A	323	945	\$1,114,508.00
Business New Construction	47	145	\$634,519.00	N/A	N/A	N/A
Communications Provider Initiative	N/A	N/A	N/A	1	1	\$32,338.00
Community Small Business Offering	N/A	N/A	N/A	40	242	\$96,424.00
Design Assistance	N/A	N/A	N/A	13	13	\$239,025.00

Table 4 Continued

Focus Program	2020 Customers	2020 Measures	2020 Incentives Paid	2019 Customers	2019 Measures	2019 Incentives Paid
Design Assistance Residential	N/A	N/A	N/A	2	2	\$79,205.00
Direct to Customer - Rural	32	388	\$60,160.00	N/A	N/A	N/A
Direct to Customer Solutions	12,569	54,739	\$857,644.00	N/A	N/A	N/A
Farmhouse Kits	N/A	N/A	N/A	24	168	\$1,886.00
Home Performance-Flood Relief	N/A	N/A	N/A	9	9	\$2,450.00
Home Performance w ENERGY STAR	N/A	N/A	N/A	954	3,640	\$860,600.00
Large Energy User	N/A	N/A	N/A	14	217	\$1,506,457.00
Midstream	12	71	\$43,675.00	N/A	N/A	N/A
Midstream Commercial	N/A	N/A	N/A	11	11	\$4,500.00
Multifamily Energy Savings	N/A	N/A	N/A	34	116	\$58,975.00
New Homes	N/A	N/A	N/A	122	145	\$112,700.00
Online Market Place	N/A	N/A	N/A	6	7	\$350.00
RECIP- Agriculture, Schools & Gov	1	1	\$55,313.00	2	2	\$34,694.00
RECIP-Business Incentives	3	3	\$48,272.00	6	6	\$108,809.00
Renewable Rewards - Business	7	26	\$220,793.00	9	9	\$26,407.00
Renewable Rewards - Residential	31	184	\$224,663.00	29	103	\$157,679.00
Residential Lighting & Appliance	N/A	N/A	N/A	2,181	14,806	\$691,496.00
Residential New Construction	126	154	\$102,450.00	N/A	N/A	N/A
Retail Products Platform	N/A	N/A	N/A	N/A	N/A	N/A
Schools & Government	113	502	\$490,742.00	N/A	N/A	N/A
Simple Energy Efficiency	N/A	N/A	N/A	3,918	15,135	\$86,957.00
Small Business	N/A	N/A	N/A	297	961	\$611,042.00
Trade Ally Solutions	1,083	3,910	\$837,854.00	N/A	N/A	N/A
TA Solutions, Healthy Homes Rural	2	2	\$1,000.00	N/A	N/A	N/A
TA Solutions, Renewable Rew Rural	18	99	\$65,826.00	N/A	N/A	N/A
TA Renewable Rewards Rural Ag	5	5	\$14,645.00	N/A	N/A	N/A
Grand Total	14,448	61,738	\$5,885,918.00	8,320	37,559	\$6,615,430.00

Source: 2020 Focus Report

OVERALL CSC SPEND ANALYSIS

As reported quarterly throughout 2020, the overall CSC spend was within the approved budget. In 2014, we began tracking and reporting cost per customer. Although this is an interesting metric, the customer count from Focus on Energy can vary greatly and therefore the trends or patterns may not provide as much value as we had hoped. Table 5 below shows the cost per customer/measure for the past three years.

Table 5

Year	Total Customers	Total CSC Escrow Spend	Average Cost per Participant
2020	14,448	\$11,960,788	\$828
2019	8,320	\$12,303,019	\$1,479
2018	40,497	\$12,352,153	\$305

Table 6 below shows the historical expenditures for the NSPW CSC budget over the past three years for comparison purposes. The 2020 actual was re-combined from page 3 to match the historical breakout.

Table 6

Historical NSPW CSC Expenditures			
General CSC	2020 Actual	2019 Actual	2018 Actual
<u>Residential CSC</u>			
Residential Customer Service Conservation	\$215,147	\$230,633	\$197,668
Keep Wisconsin Warm Fund Sponsorship	\$32,000	\$37,000	\$37,000
<u>Commercial CSC</u>			
Commercial & Industrial Customer Service Conservation	\$45,483	\$56,695	\$52,507
EnVinta One-2-Five Program	\$20,700	\$17,740	\$9,300
Energy Intern & Energy Monitoring Sponsorships	\$26,238	\$26,352	\$6,240
<u>CSC Education/Support</u>			
Trade Ally Coordination Program	\$40,653	\$67,049	\$55,686
Administration	\$37,221	\$51,149	\$28,067
General Advertising	\$203,351	\$180,107	\$178,119
Research and Development (Slipstream)	\$175,000	\$175,871	\$175,000
	\$795,793	\$842,596	\$739,587
Overall Conservation Escrow Budget	2020 Actual	2019 Actual	2018 Actual
General Customer Service Conservation	\$795,793	\$842,596	\$739,587
Voluntary Community Conservation Programs	\$1,797,014	\$1,992,330	\$2,142,968
Transfer for Statewide Conservation Programs	\$9,367,981	\$9,468,093	\$9,469,597
	\$11,960,788	\$12,303,019	\$12,352,152

WEB SITE / ADVERTISING CAMPAIGN AND SATISFACTION

The 2020 Advertising & Promotion Budget is reflected in Table 7 below. Overall, the conservation campaign performed well.

Table 7

Advertising and Promotion - 2020 Budget	Approved	Actual
FOE & General CSC Advertising & Promotion	\$192,000	\$203,351
Commercial CSC Advertising & Promotion	\$41,000	\$35,008
Residential Community Based DSM Voluntary Program	\$61,000	\$22,268
Commercial Community Based DSM Voluntary Program	\$45,000	\$26,886
Total	\$339,000	\$287,513

Residential Highlights

The residential conservation campaign ran media January-March, June-August, and September-November. Types of media included TV, radio, digital, and social. Key broadcast markets included Eau Claire and La Crosse.

Impressions: 3,910,082

Video Completion Rate: 95% (Benchmark 75-89%)

Click Through Rate: 0.41% (Benchmark 0.08%)

Page Views: 30,485

- Overall, the campaign performed exceedingly well in terms of video completion rate and click through rate, far surpassing industry benchmarks.
 - For video, the Homeowner audience drove the highest completion rate and for digital display, the DIY audience drove the highest engagement rate

Commercial Highlights

The business conservation campaign ran media late May through December. The campaign reached consumers via social, digital display, and digital video.

Impressions: 4,216,133

Video Completion Rate: 74% (Benchmark 75-89%)

Click Through Rate: 0.25% (2019 Xcel Energy B2B Benchmark 0.19%)

Page Views: 877

Overall, the campaign performed well in terms of click-through-rate, exceeding the 2019 benchmark. Though video completion rate fell just shy of benchmark, video drove the majority of clicks to the Xcel Energy site, with an average video click-through-rate of almost 2%.

- What this indicates is that users are finding relevant information early in the video and clicking through to learn more immediately vs waiting until the video ends
- For video, the Administrative audience drove the highest click through rate at 2.72% while the Decision Maker audience drove the most video completions at 77%
- In terms of display, the Manager audience drove the highest engagement with a click through rate of .22%

Voluntary Community Conservation Programs

As mentioned in the Executive Summary, utilities are also allowed to retain additional Commission- approved funds in the conservation escrow budget for Voluntary Conservation Programs. In 2020, NSPW continued its conservation and energy efficiency commitment to cities, towns and villages located within its service territory by offering our Community Conservation Program (CCP). The CCP is designed to complement Focus programs by adding bonus incentives for both residential and business customers throughout our service territory.

The Commission approved a total budget of \$2,328,172 for the CCP. Table 8 below shows the 2020 program with a comparison to 2019.

Table 8

NSPW Community Conservation Program Budget and Actual Expenditures	2019 Approved	2019 Actual	2020 Approved	2020 Actual
Residential CCP	\$681,059	\$581,379	\$721,180	\$610,482
Commercial CCP	\$1,319,573	\$1,410,951	\$1,606,992	\$1,186,532
	\$2,000,632	\$1,992,330	\$2,328,172	\$1,797,014

The 2020 overall CCP saw an increase in participants and incentives for the residential program but a decrease in both for commercial.

The percentage of the budget spent on incentives increased slightly from 62% in 2019 to 68% in 2020, residential and commercial combined. Table 9 below shows a full breakdown of the 2020 CCP budget and expenditures.

Table 9

NSPW 2020 COMMUNITY CONSERVATION PROGRAM BUDGET & EXPENDITURES		
PROGRAM	APPROVED BUDGET	ACTUAL SPEND
Residential CCP		
Residential CCP Labor	\$24,800	\$24,196
Residential CCP Incentives	\$590,000	\$518,640
Residential CCP Advertising/Promo/Other	\$61,000	\$22,268
Voluntary Program Evaluation (EM&V) - Cadmus	\$45,380	\$45,378
TOTAL RESIDENTIAL	\$721,180	\$610,482
Commercial CCP		
Commercial CCP Labor	\$589,933	\$415,430
Commercial CCP Incentives	\$926,679	\$698,838
Commercial CCP Advertising/Promo/Other	\$45,000	\$26,886
Voluntary Program Evaluation (EM&V) - Cadmus	\$45,380	\$45,378
TOTAL COMMERCIAL	\$1,606,992	\$1,186,532
TOTAL	\$2,328,172	\$1,797,014

2020 CCP SUMMARY AND RESULTS

Table 10 below shows a summary of the 2020 CCP customer numbers and bonus incentive payouts by program.

Table 10

Xcel Energy (NSPW) 2020 Community Conservation Program					
Customer Incentives Paid					
	Q1	Q2	Q3	Q4	YTD
	Home Performance	Home Performance	Home Performance	Home Performance	Home Performance
Number of Customers	920	715	574	1,051	3,260
Total Incentives Paid	\$172,021	\$153,451	\$93,544	\$82,898	\$501,914
	Business and Industry	Business and Industry	Business and Industry	Business and Industry	Business and Industry
Number of Customers	321	207	188	199	915
Total Incentives Paid	\$240,164	\$123,714	\$113,679	\$162,059	\$639,616
2020 Total Number of Customers	4,175				
2020 Total Incentives Paid	\$1,141,530				
2019 Total Number of Customers	3,168				
2019 Total Incentives Paid	\$1,345,667				

The incentive amount listed for 'Actual Spend' in Table 9 reflects incentives paid in calendar year 2020. The 'Total Incentives Paid' from Table 10 reflects incentives processed for 2020 (2019 December participants were actually paid in January 2020.)

- Residential Community Conservation Program Summary**

Complementary to Focus' Residential Programs, the NSPW Residential Community Conservation Program (CCP) is designed to provide additional incentives for our residential customers. It is also designed to bring Focus programs to smaller or rural areas of our service territory that may not have been otherwise reached. In 2020, NSPW paid a bonus incentive to customers who participated in Tier 1 or Tier 2 of the Home Performance with Energy Star program. The bonus incentive was equal to 60% of the Focus incentive and could not bring the total combined incentive (Focus and Xcel) to exceed 90% of the total project cost.

Although we do not offer additional incentives for other Focus residential programs, NSPW provides marketing and promotion throughout our service territory for other programs such as the Direct to Customer Solutions.

This is the first time in four years that the incentive levels have increased for the residential program. In light of the situation in 2020, this was surprising but encouraging. NSPW will work with Commission staff on future program development, taking into account the opinions expressed by Commissioner Huebner in his comments attached to the voluntary program decision last fall.

- Commercial Community Conservation Program Summary**

Complementary to Focus' Business and Industry Program (B&I), the 2020 NSPW Commercial CCP provided the following opportunities for business customers and non-managed industrial customers throughout our service territory:

NSPW offered a bonus incentive to eligible customers participating in the 2020 Focus B&I Program.

- Xcel Energy offered a bonus incentive equal to 50% of the Focus incentive amount, up to \$4,000.
- Total NSPW bonus incentives could not exceed \$4,000.

In summary, the program saw a decrease in participation and incentives. This was not surprising due to the expected impact of COVID-19 on small and medium sized businesses. As with Residential, the Company will wait for the 2020 evaluation results and analyze cost-effectiveness, in addition to reviewing early 2021 Program performance to influence future commercial program design. NSPW will also continue to work with Commission staff on analysis and future Program development.

- **Mid-Market Program Summary**

The Mid-Market Program (MMP) began in January 2018 and has been very successful in reaching the mid-market customer and influencing their energy efficiency decisions. The Commission approval to make the program permanent one year early is a testament to the successes we've seen. The program ended 2020 with 286 projects which is down considerably from the previous two years. This is a direct reflection of the impact that COVID-19 had on small and medium sized businesses in 2020. More details on MMP activity can be seen in Table 11 below.

Table 11

NSPW 2020 Mid-Market Activity	
Customer Contacts	898
Completed MMP Projects	286
Total Focus Participation in Business Programs	915
Contact to Project Ratio (Goal of 15% or greater)	32%
Influence on Focus Participation (Goal of 30% or greater)	31%
Total Focus on Energy Incentives	\$639,243
Total NSPW Bonus Incentives	\$243,280

2020 Accomplishments/Highlights

As a result of the pandemic, the MMP Reps shifted their emphasis in the 2nd Quarter of the year by reaching out to customers offering information on COVID resources available through local, state and federal programs. This outreach was a good way to gauge how customers were being affected by the pandemic and to find out how businesses were managing. Customers appreciated the contact which helps our efforts to build relationships with this group of customers. The MMP Reps reached over 200 customers with these resources.

In June, a press release was issued informing customers of the ability to perform energy assessments virtually with information to contact the MMP team. A mass email was sent to all customers and the MMP Reps began contacting customers individually. In September, a postcard was developed and co-branded with Focus and was sent to all small business customers. The postcards promoted the virtual assessment and a free energy kit from Focus. A total of 54 virtual assessments were completed in 2020.

In February 2020, the La Crosse area MMP Rep took another position within the company. Due to COVID, a hiring freeze was put into place and the position was unable to be filled until recently. The successful candidate is currently undergoing the security background check and is expected to be brought on soon. Being down one MMP Rep for much of the year impacted the labor expenditures in 2020 which will increase again in 2021 with the hiring of the new Rep. In order to provide coverage for customers in the La Crosse area during the vacancy, the area was divided between the other three Reps.

In Spring 2019, MMP began sending a 7-question survey to all customers assisted by an MMP Rep. In 2020, the survey had a 25% response rate, with 43% of respondents stating they would not have participated in the Focus program without contact from the MMP Rep. In addition, when asked how they would rate their experience working with the MMP Rep, 86% responded an 8-10, with 10 being the highest.

In keeping with the Communication Plan that was developed, NSPW and Focus continued to meet regularly throughout 2020. The Focus Program Managers and the MMP Team Lead met quarterly to go over reporting and to discuss any issues. The Focus Administrator and NSPW Management team met quarterly to talk about what was going well and what things could be improved upon. The Focus Energy Advisors and the MMP Reps were, and continue to be, in daily contact regarding their mutual customers. This plan has been very helpful in keeping lines of communication open and allows any issues to be addressed immediately.

As communicated in the 2020 Quarterly Reports, the Reps had a year of switching gears and determining how to share the energy efficiency message during a time that customers may not have been interested in energy efficiency. Even though participation in the Business and Industry Program was down in 2020, MMP activities still had a positive effect on our customers and energy efficiency education. NSPW is hopeful that the 2020 evaluation will help further determine the effects of the pandemic on participation.

Plans for 2021

Targeting specific communities and sectors will again play a big role in 2021 to continue to generate leads for the Focus Business and Industry Program. In the voluntary program filing last June, NSPW received permission to offer an additional 25% bonus incentive in target communities and sectors.

Also, in July 2020, NSPW received permission to fund two Partners in Energy (PiE) communities in 2021. The Cities of Ashland and La Crosse have both approved participation in the program and have already begun the process. The City of Eau Claire had gone through the process in 2019 and the City of Menomonie went through the planning process in 2020 and is working on the implementation phase.

In 2021, the MMP Reps will be targeting the PiE communities and will offer the 25% bonus to customers in those communities that complete projects. Agricultural customers will also be a target audience that will receive the 25% bonus. A collaborative co-branded mailing between Focus, Mid-Market and the Farm Rewiring Program is already planned to reach these customers.

The MMP has plans to continue to promote the free virtual assessments through local chamber ads, social media, email and postcards. Customers who have an assessment and complete a project within six months will also receive the 25% bonus incentive.

MMP's existence is to educate and influence customers to make wise energy choices that will help them use less energy, or use it more wisely. In the past, this meant promoting energy efficiency. However, with the growing interest in renewables and reducing carbon emissions, NSPW feels it is important to educate customers on programs such as Renewable Connect, AC Rewards and EV programs. The MMP Reps will have information on these types of programs as well, for customers that are interested.

- **2020 Voluntary CCP Evaluation**

NSPW contracted with Cadmus to conduct an evaluation of the 2020 Voluntary Community Conservation Program, inclusive of a Free Ridership Analysis as well as Cost Effectiveness Testing. The final report will be completed in June 2021, at which time a copy will be filed under Docket No. 4220-EE-2020. Results will be reviewed internally and with PSCW staff as NSPW assesses continuation of CCP into future years.